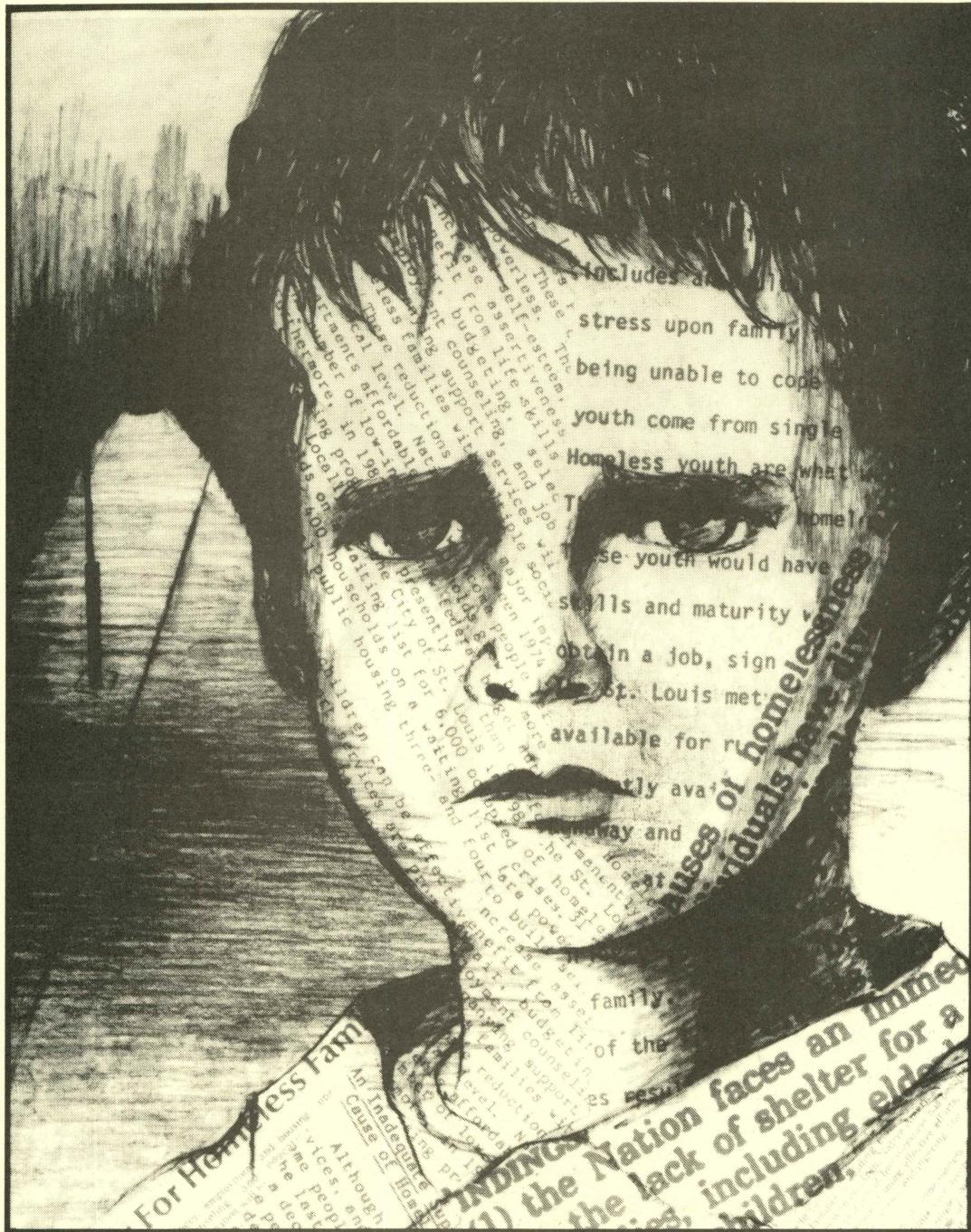


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Children in Poverty, Present and Future

State Options for Reducing Child Poverty



Institute of Applied Research

EXECUTIVE SUMMARY

Children in Poverty, Present and Future:

State Options for Reducing Child Poverty

Executive Summary

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St. Louis, Missouri

a study
conducted for the
Missouri Children's Services Commission

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Preface

This research was conducted for the Missouri Children's Services Commission. The purpose was to provide information to the Commission on state policy alternatives to respond to the rising incidence of child poverty. A study of child poverty in the state and an assessment of ways to reduce it were first suggested to the Commission by the Missouri Children's Budget Coalition as a joint project.

State funding was made available for the study through the Department of Mental Health under a contract with the University of Missouri, Columbia. The contract was administered by the Department of Social Work. The University of Missouri subcontracted with the Institute of Applied Research to conduct the study and prepare the report.

As is the case with most projects of this kind, many individuals other than the principal authors were essential to its completion. Paul Sundett of the Department of Social Work, University of Missouri, Columbia and Phyllis Rozansky of Citizens for Missouri's Children and the Missouri Children's Budget Coalition served as co-chairs of a committee that provided guidance, advise and encouragement during the project. Sara Barwinski of Lutheran Family and Children's Services, St. Louis also provided many helpful comments and suggestions. The efforts of Keith Schafer, Director of the Department of Mental Health and Gary Stangler, Executive Deputy Director, Department of Social Services were critical. They provided initial direction and guidance for the project. Without their commitment to assisting Missouri's children this study would not have been possible.

Executive Summary

In this study the Institute of Applied Research was asked 1) to determine the number of children in poverty at the present time in Missouri, 2) to project the likely number of children in poverty by 1995, and 3) to determine feasible and effective policies and programs to reduce child poverty in the state.

The focus of the study was on the causes of child poverty. It did not address directly alleviating the consequences of poverty among children. Furthermore, the report is limited to state and local policy alternatives.

In recent years the poverty rate among children in the United States has risen alarmingly. Currently, about 13 to 14 of every 100 persons live in poverty, but among children the rate is upwards of 20 of every one hundred.

The graph in Figure 1 traces poverty rates of the U.S. population as a whole and children for the period from 1959 to 1987. The line for the poverty rate among children shows the number of children out of every 100 each year who lived in families with incomes below the official government poverty thresholds. The other line shows the rate for people of all ages.

Child poverty rates have tended to mirror the rates of the population. What is striking about changes since the late sixties, however, is the gradual separation of the trend lines. Child poverty has grown worse than poverty for other age groups.

Demographic Changes

One of the reasons for the rising poverty rate among children has been the dramatic increase in

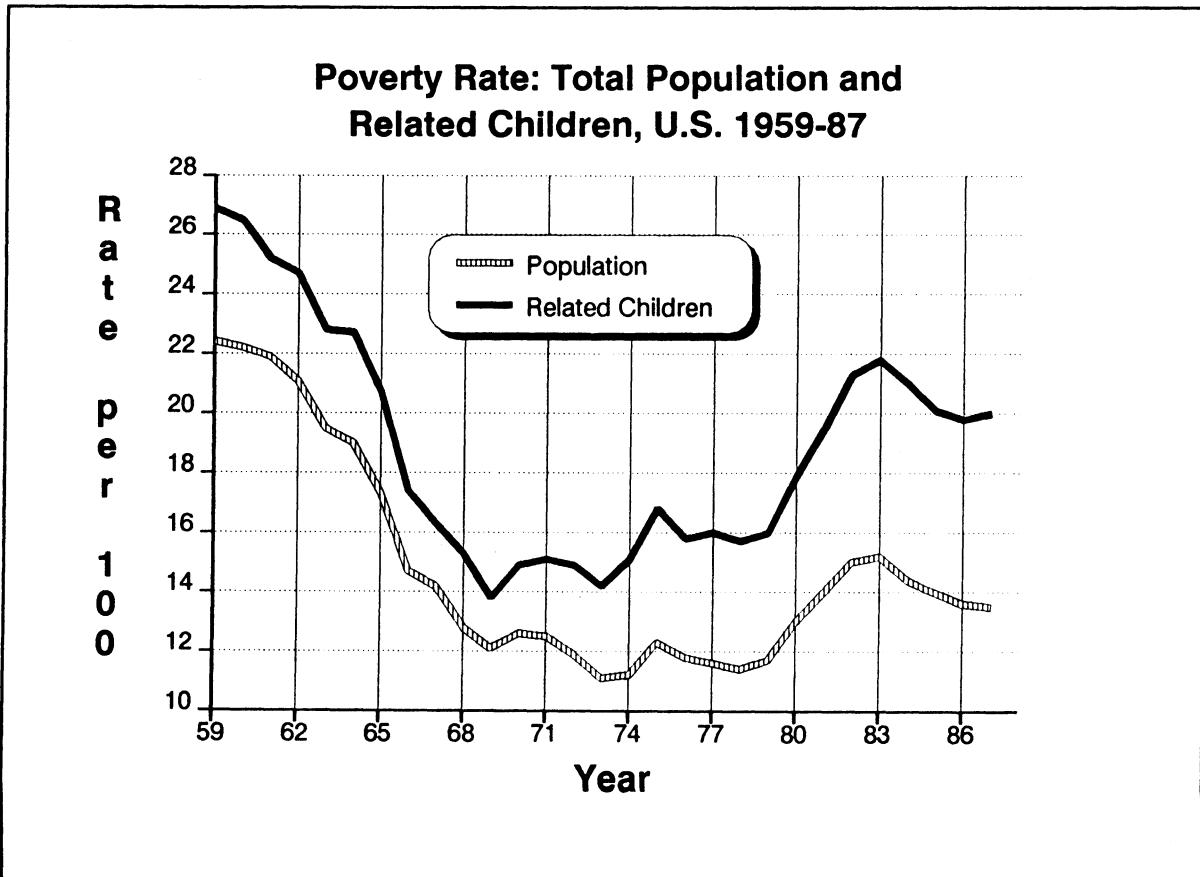


Figure 1

mother-only families over the last 30 years. These are families consisting of a woman and her children.

In 1986 the United States had nearly 34 million families of which 26.7 million were male-present (nearly all two-parent families) and 7.1 million were mother-only. The number of mother-only families more than doubled since 1959 when they made up only 2.5 million out of a total of 26.9 million families. The data available for Missouri is more limited but shows essentially the same pattern as the national data. Mother-only families increased from 71 thousand in 1970 to 106 thousand in 1980, representing a change from 10.8 percent to 15.5 percent of all families over the 10 year period.

The increase in mother-only families has meant that a growing proportion of American children live in such families. Nationally the rate jumped from 8.8 percent of all children in families in 1959 to 20.6 percent in 1986. Children in mother-only families in Missouri went from 11.2 percent of all children in families in 1970 to 15.6 percent in 1980.

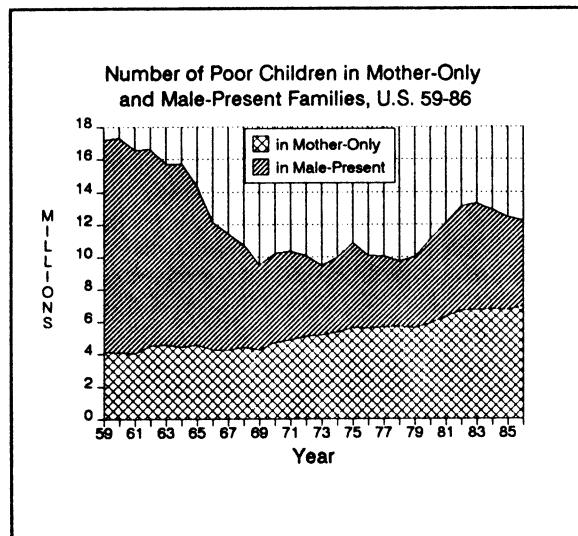


Figure 2

The increase in the proportion of children who live in mother-only families, has led to a steady increase in the proportion of *poor* children who live in such families.

Figure 2 charts the U.S. population of children in poverty from 1959 to 1986. The graph splits the population into poor children in male-present and those in mother-only families. Mother-only families are significantly more at risk of poverty than are two-parent and father-only families. In 1986 the poverty rate of two-parent families was 8 percent; the poverty

rate of father-only families was 18 percent; and the poverty rate of mother-only families was 46 percent. The poverty rate for children in two-parent families was 11 percent; the poverty rate of children in mother-only families was 55 percent. As the number of mother-only families has increased, so has the proportion of children living in poverty.

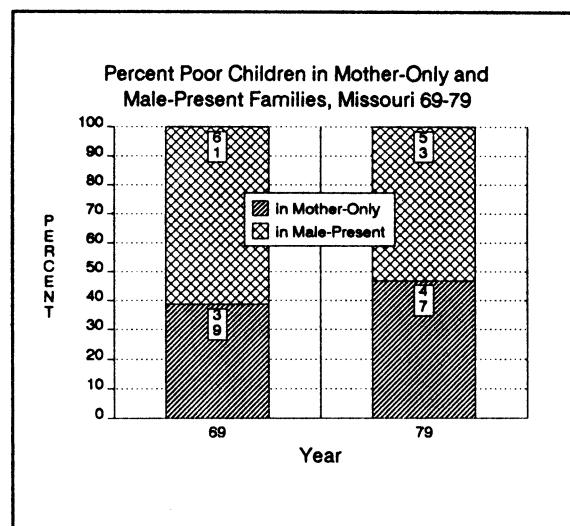


Figure 3

The percentage of all poor children living in male present families varies with economic changes, as can be seen in Figure 2, because the economic fate of these families tends to be more closely tied to unemployment and inflation.

The equivalent graph for Missouri based on decennial census statistics is contained in Figure 3. It shows an increase of the proportion of poor children in mother-only families from 38.7 percent in 1969 to 47.0 percent in 1979.

Two other demographic factors closely related to child poverty are ethnicity and family size. Black and hispanic children are found among the poor in proportions greater than they are represented in the total population. Black children in Missouri made up 13 percent of the population of children but 32 percent of the poor children. Looking at black children by themselves, the poverty rate was very high: 35 percent in Missouri in 1979. Family size is also related to poverty: larger families tend to be poorer.

The Changing Economic Status of Families with Children

Over the last 15 years significant changes have occurred in the economic standing of young families and families with children.

While family income increased substantially and steadily in the two decades following the Second World War, it stopped growing in 1973. This is reflected in the changes in the income of full-time male workers. Their median income (expressed in constant 1986 dollars) increased steadily in this country from 1955 to 1973. In 1955 it was \$17,368 and by 1973 it had peaked at \$28,295. Since that time earnings have stopped their steady increase. The net effect has been a decline to \$25,894 in 1986. In 1986 the real income of the average full-time U.S. male worker was below 1969 levels.

These changes are especially apparent in young families. A recent study conducted by the Children Defense Fund shows that the median income of young families with children fell by 26 percent between 1973 and 1986. During this same period, the poverty rate for young families rose from 12 to 22 percent.

In addition, inequality of incomes has increased for families with children. Families with children in the lowest quintile (lowest 20 percent of all families ranked by income) went from 6.6 percent of the aggregate income in 1967 to a 4.2 percent share in 1984. Thus, the relative ability of poorer families to provide for their children has been declining.

The growing inequality of income has meant that many of the poor have been getting poorer. Poor families have fallen further below the poverty threshold in the years since 1973. During the 1980's the speed of the fall has intensified. The "poorest of the poor" have increased in numbers as well. In 1979 32 percent of the poverty population had incomes no more than half the poverty threshold. By 1987 this figure had increased to 39 percent.

Reasons Why Families with Children are Growing Poorer.

Earnings. It is commonly assumed that if poor people could or would hold jobs they would not be in poverty. Yet a majority of heads of households in poverty do work. In 1986, in 75 percent of male-present families with children at least one parent worked during the year; in 62 percent of these families at least one parent worked full time. Nearly one-quarter of single-parent women worked in full-time jobs. For these families, the problem was not simply unemployment, but the inability to earn enough on a job to support a family adequately.

Since 1973 a growing proportion of families with children had a wage earner whose weekly earnings were not large enough to keep his or her family above the poverty line. The reason is not an unwillingness to work, but the decline in the real value of earnings among household heads who do work.

From the perspective of the low income earner, the decline in real earnings may be seen as paralleling the decline in the value of the minimum wage. In 1979, a full-time, year-round job at the minimum wage earned an annual income that was \$249 above the poverty threshold for a family of three. In 1987, a minimum wage job earned \$2,101 below the poverty line for a three-person family.

Economic Plight of Children in Mother-Only Families. Women in mother-only families work less often than heads of non-poor families and when they do work, like other women, they earn less than men. The families are significantly worse off financially.

Mother-only families are also substantially poorer than male-present families because of the astonishingly low amounts of child support paid by absent fathers. Around one-fourth of the divorced and separated women (24.9 and 27.9 percent) received some child support during 1985, but only about one-tenth of the never married women (11.5 percent) were given such financial support by absent fathers. Forty percent of the women awarded child support payments in 1985 lived in poverty. Missouri estimates for 1985-87 were that 36 percent of mother-only families in Missouri received some child support. Among the poor this rate was only 21 percent. During these three years (and adjusted to 1986 dollars) it was estimated that among mother-only families which received some support the average annual payment amount was \$2,020 per family and \$1,100 per child. For poor families the amount received by those who received any was an average of \$1,159 per family per year or \$525 per child.

The Diminishing Value of Government Transfers to Families with Children. The total value of government transfers has increased enormously since 1960. The portion of these transfers that most affect lower income families are the public assistance, food assistance and the housing and energy assistance programs. These are the bulk of the "means-tested" programs. To qualify for these a family must have income below a certain low income threshold. There was a slight increase in food stamps/child nutrition programs between 1976 and 1984. The same can be said for housing assistance. In any event the increases since 1976 have been modest in comparison to the increases for benefits to the elderly and disabled. Public

assistance, which is made up primarily of AFDC, actually declined in real terms since 1976.

Looking at AFDC benefits for a family of three, Missouri's maximum benefit increased in current dollar values from \$203 in 1977 to \$282 in 1988. If these figures are adjusted for inflation this apparent increase was actually a decline. In 1988 dollars the maximum benefit was reduced by 26.8 percent over its 1977 value. If food stamp benefits are added in, Missouri shows a total decline in real terms of 13.4 percent between 1977 and 1988.

Characteristics of Missouri Children in Poverty

Over two-thirds of the children in poverty in Missouri are white; the majority live in male-present families. Both parents were present in the bulk of these families. The largest single grouping--well over one-third--of poor children in Missouri live in rural areas. The next largest category, also about one-third are black and white children who live in the central city. Disregarding racial differences, nearly three-fourths of poor children in Missouri are found either in the central city or in rural areas.

The national Panel Survey of Income Dynamics showed that mother-only families were more likely to be persistently poor. One-third of the families in poverty for eight or more years lived in rural areas (defined as places with population of 10,000 or less). Nationally families in such rural areas constitute about 15 percent of the population. Insofar as Missouri's families resemble the national sample, we might expect to find even more rural children among the persistently poor since Missouri's rural families (in places of 10,000 or less) constitute two-fifths (42 percent) of all families. Nationally, over half of the such persistently poor families were black with slightly less than two-thirds of these being mother-only families.

Based on the national panel study, Black children on the average can expect to spend 5.4 years in poverty as compared to 0.8 years for non-black children. Non-black children born to a never-married mother will probably spend an average of 6.2 years in poverty as compared to 6.0 years for comparable black children. Non-black children born to a teen-age mother will spend 1.2 years in poverty; for similar black children the figure is 5.4 years--the same as all black children. Other factors such as education of the parents were also shown to be related to poverty, particularly for non-black children. The disability of the head of the family was a powerful factor increasing child poverty for both black (10.9 years) and non-black (3.3 years) children.

Recent analyses of this data have suggested that as much as 60 percent of the poverty population at a given point in time is persistently poor. Most of the people in poverty in any one year are long-term poor.

The Geography of Poverty in Missouri

Figure 4 contains a map showing the rates of poverty in Missouri counties, based on the 1980 census. The counties with the highest rates of children in poverty are found in rural south and southeast Missouri. However, it is also apparent that most Missouri counties had high rates of poverty among children in 1979. All the shaded counties in the graph had rates of 15 or greater, which were above the Missouri state rate of 14.6 for that year. It is apparent from the graph that certain counties around the St. Louis and Kansas City metropolitan areas, where the poverty rates are somewhat lower, exert a powerful influence on the state rate and mask to some extent the depth of child poverty that exists in other areas.

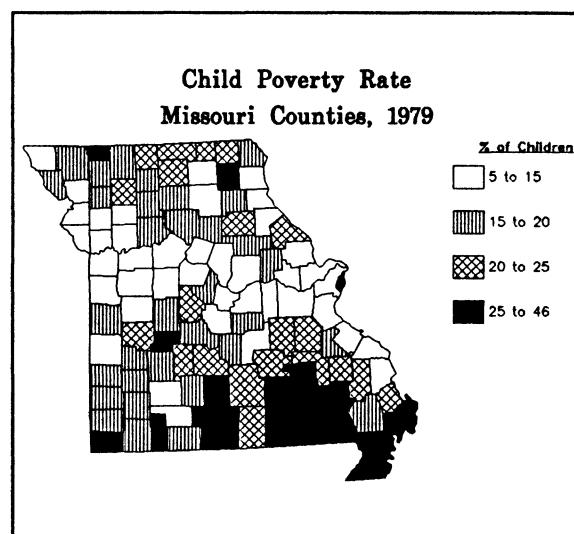


Figure 4

St. Louis City shows high child poverty rates. County level data is somewhat misleading in the urban areas. Metropolitan areas overall contained certain census tracts with extremely high child poverty rates. A detailed analysis of census tracts would show a somewhat more varied picture in the urban areas particularly Jackson and St. Louis Counties and St. Louis City.

A six element index of risk to children was constructed. It included the variables income, unemployment, education, proportion of mother-only families,

poverty rate in mother-only families and child poverty rate. The scores for Missouri counties are shown in Figure 5.

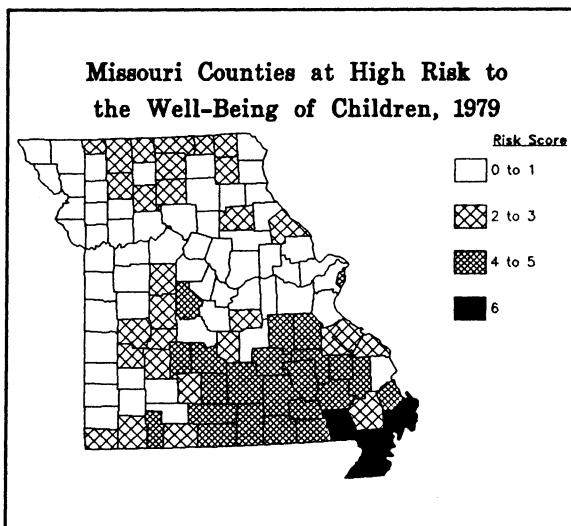


Figure 5

Rural areas present higher risk than urban areas. Risk to children is especially great in the southeastern part of the state, most particularly in the boonehill. The map undoubtably underestimates the risk among children in northern counties. Due to the setbacks that the farm economy suffered in the period after 1979 in northern Missouri counties it is likely, were up-to-date county level data available, that many rural counties in that part of the state would also show higher risk.

We also created a map showing where the most children in absolute numbers live (Figure 6). St. Louis County had one of the lowest child poverty rates in 1979 (5.9 percent) but because of the very large population in the county it had 15,729 related children in poverty. To take an example of a rural county: Mississippi County in the Missouri boonehill has a rate of 34.5 percent, with 1,744 children in families below the poverty line. Jackson County (Kansas City area) had a rate of 13.9 percent, but this accounted for 23,313 poor children. Low child poverty rates in some urban areas as a whole do not indicate low numbers of poor children. Furthermore, an examination of census tracts within urban areas reveals portions of each urban area in which the risk factors are likely to be very high.

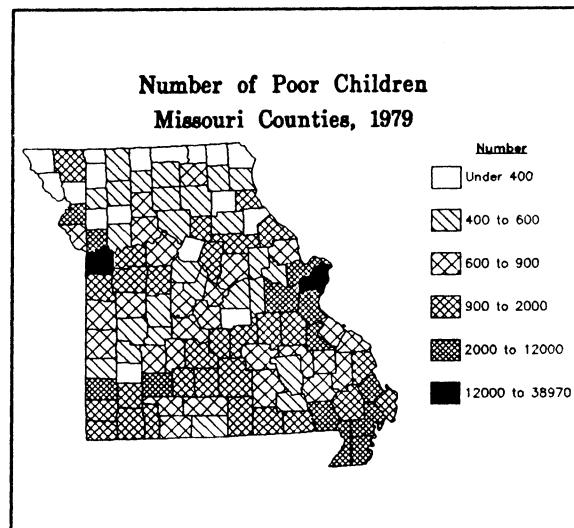


Figure 6

Current Poverty Among Missouri Children

States are dependent on the decennial censuses for detailed information on the social and economic characteristics of their populations. The latest official government estimates of poverty among children in Missouri are those developed in 1980 based on incomes in 1979.

Estimates of Current Child Poverty Based on Changes in National Rates. The rate of poverty among children in Missouri might be determined by using the pattern of changes in national rates. Doing this yields rates ranging from 16.5 to 18.1 percent.

Estimates of Child Poverty from Current Population Survey Data for Missouri. Using the Missouri Current Population Survey combined over 1985 to 1987 period, child poverty rates were estimated. The estimated child poverty rate was 21.4 percent. This rate is higher than the national and midwest rates, yet it was fairly consistent over the three years of CPS data. We would consider this an upper limit of estimated child poverty in Missouri in 1986.

Estimates of Current Child Poverty for Children in Different Types of Families. The 1980 census found that the poverty rate among children in mother-only families in the state was 44 percent. If we apply increases in poverty experienced by this population in the Midwest during the period we would expect the poverty rate among these children to have increased to 55.5 by that year. Based on an estimate of 240,400 Missouri children in mother-only families in 1986, we calculated that there were approximately 132,500 children in poverty in these families in the state.

The other important segment of the child poverty population in the state consists of those children living in male-present families (nearly always two-parent families) that are in poverty. The rate of poverty among children in male-present families is highly correlated nationally with changes in the median income of males and the unemployment rate. Using the historic relationships between the unemployment rate and the poverty rate of children in male-present families in the Midwest, we determined the rate among such children to be approximately 10.5 percent in 1986, an increase from the rate of 9.2 in 1979. Applying this rate to the estimated total number of children in male-present families we determined the number in poverty to be 119,000.

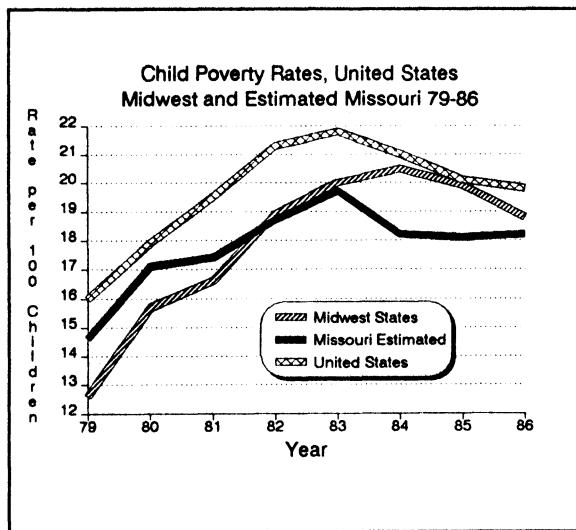


Figure 7

Combining the two categories of children in poverty we arrive at a final total of children in poverty for 1986 of 251,500 (132,500 + 119,000). This results in an estimated poverty rate of 18.2 percent in 1986.

Figure 7 shows the methodology applied to each year from 1979 to 1986. It also charts the child poverty rate for the midwest states and for the nation as a whole.

Child Poverty in Missouri in 1995

Projections of any trend, especially one as complex as the poverty rate of children, are extremely risky. We took the conservative estimate child poverty rate of 18.2 percent in 1986 as our starting point. These projections use essentially the same method used to create the 1986 estimate but with different assumptions.

The Rosy Scenario. If the rate of increase of mother-only families and the rate of increase of poverty among those families essentially fell to one-fourth of its current estimated value over the years to 1995 and the unemployment rate was maintained in the range of five percent of the workforce by 1995 how many children would be poor in that year? Our estimate of the population of related children in 1995 is 1,377,200. This scenario places the percent of children in mother-only families in 1995 in Missouri at 18.1, which is essentially no increase over the 1986 rate. The poverty rate among these children would be 59.6 percent, an increase of about 4 percent over our 1986 value. If the unemployment rate in 1995 was 5 percent, the child poverty rate in male-present families would have dropped to 9.6 percent. *The total number of poor children would be 256,200 and the poverty rate would equal 18.6 percent.* This scenario leads to a reduction in the total number of poor children but with the simultaneous decrease in the total population of related children the poverty rate remains essentially constant.

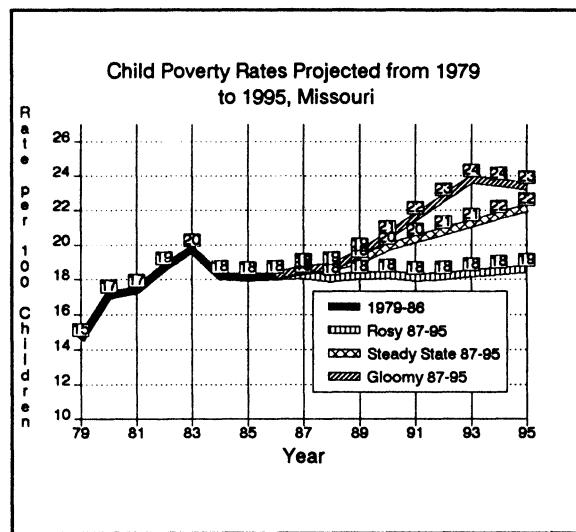


Figure 8

In Figure 8 this scenario is shown as the flat line extending from 1986 to 1995.

The Steady State Scenario. In this scenario the rate of increase of children in mother-only families is held at the rates that we have projected so far in the 1980's. The increase in the poverty rate among such families is also held at that level. We then assume that by 1995 the Missouri unemployment rate reaches a level comparable to the 1986 rate (6.1 percent). Under these conditions, the proportion of children in mother-only families in 1995 would reach 19.8 in Missouri. The poverty rate among such children would

have risen to 69.4 percent. This may seem unreasonable but it is merely the application of the rate of increase of poverty among these types of children in the midwest states in the early 1980's to the future period. This translates into 272,600 Missouri children in mother-only families with 189,300 of these in poverty. In turn, there would be 1,004,600 children in male-present families. The poverty rate among these children would be holding at 10.4 percent (the 1986 rate) resulting in 115,400 poor children in these families. The total number of poor children in Missouri under this projection would be 304,700. *The poverty rate would have increased from the 1986 value of 18.2 percent to 22.1 percent.* In this scenario the net number of poor children would have increased by about 40,000, and since the population of related children has declined by 1995, the increase in the poverty rate is substantial. The scenario is shown as the middle trend line in Figure 8.

The Gloomy Scenario. The final scenario assumes an economic downturn. Mother-only families increase at the same rate as in the steady state scenario, but an economic recession increases unemployment. By 1995 the Missouri unemployment rate is holding at eight percent after a rise to 10 percent (somewhat lower than 1983). This means that the poverty rate among children in male-present families would be 12.0 percent. Of the 1,377,200 children in these families 132,300 would be poor. *The total number of poor children would be 321,600 with a poverty rate of 23.4 percent.* This scenario appears as the upper line in Figure 8. Notice that the rate spikes upward with increased unemployment similar to what occurred in 1983.

1995 Target. We were asked to determine what reduction would be necessary to lower the child poverty rate in 1995 to a level comparable to the current poverty rate for the total population. The reduction of the future child poverty rate to a rate comparable to the current population rate (13.5 in 1987) would require that the children in poverty during this year total 185,900. The steady state scenario had the total at 304,700. This means a reduction of 118,800 children must occur. Assuming 2.2 children per family (current approximate family size) this translates into 54,000 families raised above the poverty level. Assuming 2 children per family the number of families that must be affected would be 59,400. We hope that the reader will see how tentative these numbers are. There is obviously a wide latitude for error. In any event, even if this 1995 rate represents an overestimate of the poverty level the state will still be faced with an extremely large number of poor families and children, unless effective action is taken now.

Policy Options

Policies are more likely to be publicly acceptable and politically feasible if they have certain characteristics.

- Programs and policies that present public assistance as a transition process necessary only as a temporary intervention until the person helped can take back control of his or her own life;
- Policies that support the rights of people to make independent choices without abdicating responsibilities;
- Approaches that reinforce the family and the responsibility of parents to sustain and rear their children;
- Policies that are broadly based and benefit large segments of the population;
- Programs that have been proven at the local level through locally supported programs or demonstration projects.

Option 1: Child Support Assurance. Establish a system that provides for universal collection and payment of child support through employer withholding from the earnings of non-custodial parents. This system requires 1) establishment of paternity for all children at birth, 2) adoption of a percentage of income standard for withholding from the income of the noncustodial parent, 3) immediate withholding rather than court ordered withholding of child support, 4) payment of an assured child support check to all single-parent families.

Option 2: Increasing AFDC Benefits. Increase AFDC benefits by an average of \$100 per month per family (i.e. to approximately the national average among states).

Option 3: Improve Economic Development Generally along with Efforts Targeted to Poor Families. Several actions are proposed. 1) *Continue and Expand General Economic Development Policies and Policies Targeted to Depressed Sections of the State.* The Enterprise Zone Program was cited as a means of retaining businesses in depressed areas and as one tool to attract jobs to parts of the state in which incomes are low. 2) *Coordinate Economic Development Policies.* The Missouri Opportunity 2000 Commission has suggested the establishment of a state Office of Productivity Improvement and a Missouri State Council for Full Employment. The emphasis of both the

proposals is positive because they would aid creating measurable objectives for the state, timetables for implementation and specific courses of action under the direction of the Governor. 3) *Leveraging Job Creation for Low-Income Families with Children through Assistance to Small Business.* Establish a program of loans for initiation or upgrade of small businesses with the stipulation that a percentage of the new jobs are filled by heads of families in poverty or near the poverty level. The loans would be used primarily to leverage other funds for the business ventures. 4) *Assistance of Low-Income Families through Self-Employment of the Family Head.* This program would involve a fund from which small loans could be made to poor parents who are currently self-employed or have capabilities for self-employment. This would include loans to start businesses and assistance in operating them. It would also include loans to upgrade existing businesses. Another phase of this program might include assistance to self-employed poor to begin joint businesses or cooperatives to provide services that are or will be in high demand, such as child care.

Option 4: Increase Medical Coverage for Poor and Near-Poor Families. This is seen as an antipoverty measure to the extent that it removes the fear of loss of medical insurance for working poor families and provides preventive health care to poor families and their children. Two actions are proposed. 1) *Institute a Medicaid Medically Needy Program in Missouri.* This program is permitted under the current Medicaid legislation and allows inclusion of families under the programs without regard to eligibility for AFDC. 2) *Approve An Indigent Health Care Plan.* A plan to provide medical care for the poor or near-poor is needed.

Option 5: Increase the Availability and Quality of Child Care in Missouri. The primary antipoverty effect of child care availability is in assisting parents of poor children to hold jobs. This is particularly critical for mother-only families, but also important for two parent families as both spouses increasingly need to work to stay above the poverty line. The actions proposed were 1) *Assist Low-Income Parents and Welfare Recipients in Establishing Child Care Services or Finding Employment at Child Care Agencies.* This may be one goal of a loan program for self-employed individuals. Missouri should also apply for a demonstration project grant under the Family Security Act of 1988 to employ welfare parents as paid child care providers. 2) *Expand Child Care in Rural Areas.* The Family Security Act also provides for demonstration grants for this purpose. In addition, the state should consider establishing a fund to assist start-up of child care programs generally in the state. 3) *Expand Child Care Licensing to All Facilities in the State.* Currently

religiously affiliated programs are exempt from such inspection. Missouri should expand its program to cover all child care programs in the state to assure minimum levels of health. 4) *Further Support and Market the Voluntary Accreditation Program for Early Childhood Education.* This program is currently operated at Steven's College, Columbia, Missouri.

Option 6: Enhancing the Linkage of Dropout Prevention and Adult Basic Education to Work. There are several ways in which efforts currently going on in the state to prevent youths from dropping out of school and improving the literacy and basic educational skills of adults could be enhanced. 1) *Improving the Capabilities of Local Adult Basic Education Programs to Refer to Employment and Training Agencies.* This will include full information on available services beyond ABE, including skill training, higher education, and employment assistance. It may also include specific individuals within the ABE program who provide information and referral. 2) *Improving the Assessment of Food Stamp Work Registrants for ABE.* As a linkage is established between METP and ABE it becomes critical that a system of determining who needs and desires ABE be established prior to referral to that program. 3) *Expand and Market On-Site ABE Services to Small Businesses in the State.* These services would be offered at the site of the business. 4) *Promote the Further Development of At-Risk Centers at Area Vocational-Technical Schools.* These programs utilize multiple funding sources. Variations on the model are being developed at 24 sites. Evaluation of the consequences of various approaches is critical. 5) *Promote the Expansion of Work/Study Programs like the Off-Campus Program offered in St. Louis Schools.* This is a particular example of a joint program between businesses and the local school district. 6) *Consider Developing a Missouri Conservation Corps similar to Those Being Developed in Other States.* Such a corps would offer further opportunities to youth who have dropped out of school or are in danger of dropping out to gain education, training and work experience. They would also be engaging in useful public work programs.

Option 7: Enhance Programs to Reduce Adolescent Pregnancy. Children of adolescent mothers are the poorest of the poor. They remain in poverty for excessively long periods of time. The families are very likely to receive welfare payments for extended periods. Programs to reduce the number children born to teens through reducing adolescent pregnancy will have long term antipoverty effects. Specific actions include the following. 1) *Integrate Education on Sexual Topics into K through 12 School Curricula throughout the state.* There are a number of experiments being conducted in the state. These need to be

examined for promotion on a statewide basis. Sex education should be a part of general education on health and family life. Where there is community opposition, parent education might be pursued similar to the successful Community Family Life Program in southeast Missouri. 2) *Consider a Program to Promote School-Based Health Clinics in School Systems in which Parental Support is Found.* School based clinics can have a significant impact on the knowledge and behavior of adolescents regarding health practices generally, including sexual behavior. It is important that parental approval for the clinics be obtained before they are established, and, once established, they should be promoted as voluntary clinics which require parental permission before a student can participate. 3) *Give the Highest Priority to the Youngest Welfare Recipients in the JOBS (welfare to work) Program.* Single adolescent mothers are most in need of the full range of intensive educational, counseling and E&T services.

Option 8: Enhancement of Education, Training and Employment Programs through Coordination. The following actions are interrelated. They each deal with enhancing the effectiveness of education and employment and training. 1) *Developing One-Stop Shops.* Bring together at one center the services of all agencies that are related to developing independence and enhancing the employment opportunities of low-income individuals. There are many ways in which this can be done. 2) *Common Identification of Clients in the Service System.* Adoption of a common identification number of clients of various state agencies and the JTPA program would facilitate the determination of eligibility for services. The same person may be eligible for various programs for low-income individuals. 3) *Common Application for Programs.* Use of a common application process for various education and E&T programs would simplify the process from the participant's standpoint and would reduce duplicate efforts in different agencies. 4) *Sharing of Resources.* Methods should be found to share resources among education and E&T agencies. If agencies are co-located or share personnel then resources can be made available. Short of this a concerted effort by state level administrators is needed to form cooperative arrangements that ensure that personnel of one agency have access to services at another agency. 5) *Pilot projects in Local Areas.* The best methods of enhancing coordination are not known, although many experiments are being tried in other states. We suggest a series of pilot projects in various parts of the state funded through state revenues, JTPA funds (e.g., JTPA eight percent education coordination funds, JTPA six percent incentive grants), METP funds or some combination of the two. JTPA Service Delivery

Areas in conjunction with community colleges, school districts, Employment Service offices, human service agencies and community based organizations could develop local coordination models. The state would develop guidelines that would include: common assessment of eligibility, common determination of employability and service needs, co-location of services in shared facilities, sharing of personnel, sharing of common resources between agencies, joint funding of programs and other similar goals. 6) *Utilizing Federal Matching Funds.* Missouri should seek to utilize all federal matching funds.

Option 9: Supplement Employment and Training Funds with State General Revenue Funds. The Missouri General Assembly could appropriate additional state funds to supplement the largely federally supported efforts of JTPA, METP and JOBS. These might include the following. 1) *Additional Funds for Basic Education and GED training of Poor Heads of Families with Children.* Any effort to increase the basic skills of participants in these programs particularly the thousands of families receiving food stamps and welfare will require a significant expansion of ABE which currently serves about 30,000 individuals annually. 2) *Additional Funds for Training or Higher Education of Poor Heads of Families with Children.* Educational grants could be made available after all other sources of funding have been exhausted. As a rule this program would be limited to Missouri private and public schools.

Option 10: Increase the Base of Knowledge about Missouri's Families with Children. One of the striking findings of this study is how little we know about children around the state and the needs of their families. There are a number of areas in which further research is needed. This list is by no means exhaustive but represents several areas in which we believe further research is most needed. 1) *Conduct a Feasibility Study and Develop an Implementation Plan for the Integration of Education and Employment and Training Agencies throughout the state.* 2) *Conduct a Feasibility Study in Missouri of a Child Support System similar to the Wisconsin Child Support Assurance program.* 3) *Conduct a Statewide Feasibility Study of Public Sector/Private Sector Partnerships to Improve the Workplace Literacy of Missouri's Population.* 4) *Conduct a Study of the Child Care Needs of Missouri Families.*

The Need for a Comprehensive Approach and a State Plan. One of the goals of this study was to examine options which, if pursued, could significantly reduce poverty among Missouri children by 1995. No one of the policy options presented here is, by itself, likely to do that. Each has the potential to improve the

financial status of some poor families with children. A concerted effort in several areas can produce improvements in many families. Similarly, a single approach may produce only a slight increase in the incomes of the families affected. A concerted effort in several areas may have a cumulative effect on family incomes.

Furthermore, the alternatives presented are not unconnected. Assisting families with child care or medical insurance may make training, work experience or employment more feasible. Helping a teenage girl to delay parenthood may make it easier for her to finish school and become self-supporting. Improving child support payments may ease the strain of childrearing enough for a mother to hold a job. Developing jobs for low-income parents may slow the descent of some below the poverty line. Anti-poverty efforts can interact.

Substantial reduction in child poverty in the near term, therefore, is not likely without action on a broad set of fronts. However, if public and legislative opinion can be galvanized around a coherent and comprehensive plan of action, it is possible for the state to begin to reduce poverty among its children.

